### BRICK TOWERS TENANT LEAGUE VIRGINIA JONES, PRESIDENT 715 DR. MARTIN LUTHER KING, JR. BLVD. 5A NEWARK, NEW JERSEY 07102

August 31, 2001

Honorable Mayor Sharpe James Newark City Hall 920 Broad Street, Room 200 Newark NJ 07102

#### RE: BRICK TOWERS PRESERVATION - NEED FOR IMMEDIATE ACTION

Dear Mayor James:

On behalf of the Brick Towers Tenants League (BTTL) I write to request your immediate assistance with the BTTL's struggle to seven thomes and prevent Newark from losing another 324 units of badly needed affordable housing.

Mayor James, you are familiar with the residents' struggle against one of Newark's worst slumlords and, since February 2000, our ongoing struggle to save our homes from demolition. During recent discussions as to the future of Brick Towers, you publicly expressed your support for the preservation of the property, and against demolition, and offered to intercede with New Jersery's Semaiors to support for neservation if necessary.

Contrary to your clearly stated support for preservation and against demolition, I have recently learned that the Newark Housing Authority has been negotiating with HUD to demolish Brick Towers - even as you have been discussing the residents' preservation strategy in the NHA's presence.

As such it is absolutely clear that the preservation of Brick Towers can only take place if the City of Newark (not the NHA) takes title to Brick Towers to secure the NHD up-front rehabilitation grant and facilitate implementation of the residents' proposed modernization plan. To begin this process,

<sup>&</sup>lt;sup>1</sup> The Newark City Council too has clearly expressed its intent that Brick Towars be preserved by passing a resolution noting the severe housing crisis refrecting Newark's families and admantly opposing demolition (see attached). Besent County Security Jemsey Treffinger has also noted the severe housing shortage in making clear his support for the preservation of Brick Towers (see attached).

Hon. Sharpe James August 31, 2001 - Page 2 Re: Brick Towers Preservation

the City of Newark must immediately notify HUD that the City of Newark itself is willing to take title and submit the preservation proposal developed by the residents and their developers as a basis to negotiate the purchase of the property. By way of a letter dated August 21, 2001 William Melvin, Director of HUD's Atlanta Wulti-family Disposition Center, makes clear that HUD guidelines permit a municipality to purchase the property, receive the rehabilitation grant and transfer the property and the grant to the entity that will carry out the redevelopment. Precisely the residents' proposal all along.

Furthermore, Mr. Melyin's letter makes clear that the NNA has been engaged in extensive, ongoing negotiations with MUD to purchase the property for purposes of demolition (copy attached). In his letter, Mr. Melyin states his 'understanding' that the NHA has kept the residents informed of the ongoing negotiations and his belief the NNA Board of Commissioners might be approving the Contract of Sale as soon as early as the August Board of Commissioners meeting.

The BTTL's leadership and I personally were deeply disturbed by NHA's conduct as disclosed in Mr. Melvin's letter.

As recently as our July 23, 2001 meeting -- a meeting attended by Robert Graham, NHA Executive Director -- the NNA stood by silently while you made clear your support for the preservation of Brick Towers. In fact, Mr. Graham remained silent when you went on to state that everyone present supported BTTL's goal of preventing the demolition of BTCk Towers!

There can be little doubt that on July 23<sup>rd</sup> Mr. Graham failed to disclose to you, and to all those present, that the NNA was engaged in ongoing negotiations with RUD to pursue demolition. Given the ongoing nature of the negotiations and the NNA's supposed disclosure referred to in Mr. Melvin's letter, the NNA's lack of candor goes well beyond Mr. Graham's silence on July 23.

<sup>&</sup>lt;sup>2</sup> The BTTL has been working closely with SP Vogue Urban Partners, L.L.C., a well known and respected developer of assisted housing in the area; the Rutgers Law School's Community Law Clinic; and, Essex Newark Legal Services.

Moreover, for the record, since the NNA withdraw its original (5/00) proposal to desculab Brick Towers on Rebrusty 26, 2001, the NNA has failed to provide me with copies of any correspondence, documents or any revised proposal purportedly submitted to NND as part of the omagoing negotiation.

on. Sharpe James
August 31, 2001 - Page 3
Re: Brick Towers Preservation

Specifically, on July 17, 2001 I personally wrote to Zinnerford smith, NNA Board Chair, requesting that he clarify the position of the NNA Board of Commissioners regarding a telephone call and a July 16 letter from Robert Graham suggesting that the NNA had decided to pursue demolition once again. In light of the discussions taking place at that time between yourself, the residents, the SP-Vogue and the NNA, Mr. Craham's letter was very strange. In fact, when I personally delivered the July 17<sup>th</sup> letter to Mr. Smith, he stated that the NNA Board of Commissioners had not made any decision or authorized the letter. Nevertheless, to date, Mr. Smith has yet to respond to my July 17 request for clarification.

My letter seeking clarification from the NHA was delivered in advance of the July 23 meeting, which Mr. Graham attended. Throughout the meeting, Mr. Graham remained silent as you made clear your opposition to demolition, helped set up a meeting with Diane Johnson and offered, if necessary, to intercede with Semator's Corxine and Torricelli to explore financing assistance for Brick Towers' preservation.

Moreover, subsequent to our July 23 meeting, on August 8, I again wrote Mr. Smith asking to meet so that we could begin ironing out the details of the residents preservation proposal. In my letter I detailed your statements at the July 23 meeting and went on to say:

In light of Mayor James' ... support for the preservation of Brick Towers, I write to request a meeting to discuss the [NHA's] submission of the Brick Towers preservation proposal to HUD...[copy attached]

To date, Mr. Smith has yet to respond to my August 8 letter requesting a meeting to discuss submission of the residents' preservation proposal.

It is clear that the NNA did not engage in a good faith review of the residents proposal. While we believed they awaited your decision as to whether you would support preservation, they made up their mind to demolish and failed to disclose their position to you or the residents. As noted above, a municipal acquisition to secure rehabilitation funding and transfer to a developer is wholly consistent with HUD guidelines and resultations. For your review, I am enclosing a recent

Hon. Sharpe James August 31, 2001 - Page 4 Re: Brick Towers Preservation

example of such a municipal resolution and documents for precisely such a sale in Red Bluff, California.

Based upon the above, I am requesting a meeting during the week of September 10, 2001 to discuss Newark's taking of title brick Towers with you, your staff, a BTTL delegation and BTTL's representatives.

Please contact me to arrange the above at your earliest convenience. I can be reached during the day at (973)621-4644 or evenings at (973)621-0743. During the week of September 3 your office can contact me c/o Genia Philip-Sookram, Esq., (973) 624-0099.

The BTTL, the residents and I personally look forward to working directly with you in saving Brick Towers.

Sincerely,

Virginia Jones, President Brick Towers Tenants League

G. Hon. James W. Treffinger

Hon. Donald Bradley

Hon. City Council Members

Donald Harris, SP Vogue-Urban Partners

Professor Robert Holmes

Frank Hutchins, GNHTC

Zinneford Smith, NHA Chair

Robert Graham, NHA Exec. Dir.

# Resolution of the City of Newark, N.J.

NO. 7RDO

Date of Adoption APR 0 5 2000

Resolution by the Newark Municipal Council expressing strong opposition to proposed plans by the United States Department of Housing and Urban Development to depopulate as well as demotish Brick Towers located at 865-715 Dr. Martin Luther King. Jr. Bird., Newark, New Jessey.

Approved as to Form and Legality on Busis of Facts Set Forth

Bookes The

WHEREAS, in recent years, the City of Newark has suffered a severe decline in the number of low-income housing units through the deposition of such units as Scudder Homes (1440 units), Columbus Homes (1590 units), Architelpu Walsh Homes (1640 units), Columbus Homes (1590 units), Architelpu Walsh Homes (1640 units), Columbus (1640 units),

(284 surfs), fixyes Homes (1,168 units), fixyes Eldorif (193), fixelcher Homes (1,168 units), fixyes Eldorif (193), fixelcher Homes (626 units), fixyes Eldorif (193), fixelcher Homes (626 units), admy with the pending implosion of Steta Wright Homes (1,200 units), and units, and WHEREAS, the Newark Housing Authority (1944) has demokshed 5,176 low-width Homes and the sepectation of demokshing more including 1,200 units at Steta Wright Homes and

WHEREAS, the NHA has depopulated Hill Misnor Apartments which houses another (420) swits; and

WHEREAS, the elimination of low income subsidized housing units has caused and preliminary figures from the U.S. Census Bureau reveals a significant increase in Newart's homeless population; and

WHEREAS, such low income subsidized assistance programs as housing vouchers are only temporary solutions to the City's homeless problem because after they expire the housing units return to market rents thereby making it unaffordable to low income lenants; and

WHEREAS, the NHA has constructed 1,000 low income subsidized units during the past ten (10) years; and

WHEREAS, the City of Newark has constructed 2,250 moderate income units during the past ten (10) years; and

WHEREAS. the State of New Jensey similar to the State of New York needs to work with federal and state governments to continue funding programs which subsidize few-income housing; and

WHEREAS. the Governing Body of the City of Newark is adamantly opposed to the proposed demolition of Brick Towers located at 685-715 Dr. Martin Luther King, Jr. Blvd. which has (300) units most of which are subsidized.

NOW, THEREFORE, BE IT RESOLVED BY THE HURICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT It does hereby express strong opposition to proposed plans by the United States Department of Hearing and Urban Development to demotish Brick Towers located at 685-715 Dr. March Luffer May, 24.

BE IT FURTHER RESOLVED THAT the Municipal Council also opposes HUD's plan to turn Brick Towers over to the Newark Kozsing Authority but rather urges HUD to hire a conceptensive management firm with a proven tack record of managing urban multi-family housing units to rehabilitate and maintain these units along with its housing wobsides.

BE IT FURTHER RESOLVED THAT a copy of his resolution be forwarded to be United States Senature Robots Trotton and Frank Landshope United States Representatives Double Payers and Robots Memories, Honorable Andrew Country, Secretary of the United States Department of Union and Dama States Department of Union and Country of Union States Department of Union and Union States Department of Union and Union States Department of Union and Union Department Country of Union States Department of Union and Union Development, Essen Country States Department of Union States Department of Unio

CERTIFIED TO BY ME THIS 13th DAY OF APRIL 2000

#### De net are appear below this line

Council Member	AYE	MAY	KV	AB	Council Member	AYE	KAY	800	AG I	Council Harder	AYE	MAT	RY	AN
AMADOR		_		V	CARRING	V				PHOKER				0
BOOKEN M	$\sim$		4	!	CHAMEALDERS NOWORD					WALKER	1			F
ERIOGEFORTH S	1	1		ī	OUNTURU	1				BEAULEE AM	11	-		-

Morald Stadles

Thert Nara



# OFFICE OF THE COUNTY EXECUTIVE

HALL OF RECORDS, NEWARK, NEW JERSEY 07102

(973) 621-4400 FAX: 621-6343

JAMES W. TREFFINGER COUNTY EXECUTIVE

September 12, 2000

U.S. Department of Housing and Urban Development One Newark Center, 12th Floor Newark, NI 07102-5260

Attention: Walter Kreher

Re: Brick Towers, Newark, NI

Dear Mr. Kreher:

I am writing to express my concerns regarding any proposal by HJD to demolish the Brick Towers apartment complex at 685-715 Dr. Martin Luther King, Jr. Boulevard, Newark, NJ.

Available affordable housing is scarce in Bases County. Bases County residents with limited income often find themselves forced to live with relatives/friends or, in the worst-case scenario, seek assistance from our social service agencies for temporary housing and rental assistance. Without question, these circumstances contribute to the fragmentation of the family unity.

As Essex County Executive, I am concerned about the impact that the continued loss of affordable housing will have on our communities.

U.S. Department of Housing and Urban Development September 12, 2000 Page Two

I implore your agency to consider carefully the ramifications that a planned demolition of Brick Towers will have on Essex County.

Sincerely,

James W. Treffinger County Executive

cc. Ms. Virginia Jones, President Brick Towers Tenants League 715 Dr. Martin Luther King, Jr. Boulevard - #5-A Newark, NJ 07102

JWT/yaf Brick Towers



August 21, 2001

Brick Towers Tenant League Virginia D. Jones, President 715 Dr. Martin Luther King, Jr. Blvd Apartment 5A Newark, NJ 07102

#### Dear Ms. Jones

Your August 1, 2001 letter to Diane Johnson of the Department of Housing and Urban Development's (HUD) New Jersey State Office was forwarded to me for response, at my request, as my office is most familiar with the policies regarding the disposition of HUD-owned multifamily properties and the status of the sale of Brick Towers,

U.S. Department of Housing and Urban Development

Attanta Multifamily Property Disposition Center

Five Points Plaza 40 Marietta Street Atlanta, GA 30303-3388 http://www.hud.gov/local/att/stimtho.html

HUD has been involved in-negotiations with the Newark Housing Authority (NHA) for an extended period of time concerning the NHA's possible purchase of Brick Towers. The NHA first expressed its interest in acquiring Brick Towers in a letter dated March 7, 2000.

On August 18, 2000, the NIA, submitted to us its revisitantian plan for brick! Towers. The plan called for demolition of the existing buildings and construction of 234 replacement bussing using (6, 00 the current size, and the remainder on hand sowned by the NIAA. It is our understanding that the NIIA has keep you informed of these appointances and of its revolutional past for the axes. We have received no indications from the NITA that it is considering the course of action custimed has not been accessed to the considering the course of action custimed to the NITA expect to go before the Board for approach to encoure a Contract of Size the face act scheduled Desiration energies in August.

From the contents of your letter, there appears to be some misunderstanding regarding HUD's policy and regulations pertaining to Up-Froat Grants and the use of project-based Section 8 in the sale of HUD-owned properties. I will attempt to address those issues in the order in which they were raised:

- You are correct in your assertion that there is no prohibition against a governmental eatily transferring disk after as equiring disk from HUD. On regulations require that if the sale involves as Up-Front Grant, it can only be cold on a negotiated, non-competitive basis, to a governmental entity. HUD policy is that such vanisfier of this end real to a non-governmental entity metion the disk policy in the contraction of the entity which prechased the proporty from HUD which, in midst case, is a public, competitive disposition process. Therefore, if the left with the entity of the case is a public, and the entity of the contraction of the contraction of the contraction of the left of the contraction of the left of the contraction of the work.
- You are also correct that HUD may provide Up-Front Grants for both rehabilisation and/or rebuilding. However, only a local government entity taking title directly from HUD can receive an Up-Front Grant without competition. All other sales with an Up-Front Grant must be through an open and competitive selection process. Therefore, If the NHA were to patter or joint-venture with another entity, whether fore-cooff or non-rovell, HUD could not do a gove competitive sales to the NHA.
- While HUD regulations allow for providing project-based Section 8 in connection with the sale of a
  formerty subsidized housing project, HUD policy guidance since 1994 has been to provide Section 8
  Vouchers or Certificates in lieu of project-based Section 8. It is also our policy that, if affordable
  bousing is needed, as is the case in Newark, we also will require that, whether there is rehabilitation or

rebuilding, the new replacement units will be governed by load use restrictions requiring that they be available to used affordable by Voucher holders. This policy is intended to preserve affordable housing while permitting redictions clotics. Therefore, it is our intends no provide Section 8 Vouchers to inconcligible residents at Brick Towers and sell the property with provisions that assure continued availability of affordable housing.

 Under HUD property disposition policy, in the absence of a determination that there is not a need for affordable housing, properties that are 100% subsidized as it the case with Brick Towers cannot be converted to 59% market and 59% low in concer. Under current policy only 10-15% of the units in a subsidized property could be made available to families with incomes between 80-115% of the area median income.

It remains our understanding that the NHA's plan is to acquire tilt to Brick. Towers via negotiated also from HID, relocated in reliefent's with the assistance of Scotion 8 Vouchers, demoltain the two towers, and replace them with 324 units of new housing. To the best of my knowledge, the NHA has not conducted a public disposition process with the intention of transferring tilts to the property to any other entity.

You are encouraged to continue your dialogue with the NHA so that the current residents of Brick Towers will ultimately realize their dream of improved housing opportunities and better living conditions.

If you have any questions about or would like to discuss the contents of this letter, please call Greg Karns of my staff in our Pennsylvania State Office at (215) 656-6500 ext. 3391.

Mly

Director Atlanta Multifamily Property Disposition Center

ee: Robert Graham Newark Housing Authority

> Honorable Sharpe James, Mayor

# BRICK TOWERS TENANTS LEAGUE VIRGINIA JONES, PRESIDENT 715 DR. MARTIN LUTHER KING, JR. BLVD. 5A NEWARK, NEW JERSEY 07102

July 17, 2001

### BY HAND DELIVERY

Mr. Zinneford Smith, Chairperson

Newark Housing Authority Board of Commissioners

c/o Newark Watershed Commission

Newark, NJ 07102

#### RE: Robert Graham Communication as to the NHA's Position on Brick Towers

Dear Mr. Smith:

I write to express my concern at a conversation I had with Robert Graham yesterday – and to request clarification from you as to the Newark Housing Authority's position regarding the future of Brick Towers.

Specifically, Robert Graham's secretary left a voice message for me on Friday afternoon (July 13) requesting that I contact him at his office first thing Monday morning. When I called Mr. Graham on Monday, July 16, 2001, he informed me that the NHA has decided to demolish Brick Towers and planned to submit the NHA's original demolition plan to HUD Atlanta.

I was very surprised by Mr. Grabam's statements in light of our recent conversations concerning the future of Brick Towers. As such, I write to request clarification from you whether the NHA Board of Commissioners has had an opportunity to make a decision on the NHA's role with regard to Brick Towers. I informed Mr. Graham during our conversation of July 16 flatt the Brick Tower Tenants League remains committed to ensuring the preservation of Brick Towers as much needed affordable housing to Newark residents and admantly oppose any plan that call for tis demolition—as you and I have discussed.

Please contact me at your earliest convenience (621-4644) to clarify whether the NHA Board of Commissioners has formally decided to pursue the demolition of Brick Towers. Thank you for your attention and anticipated cooperation with the above.

Virginia D. Jones, President
Brick Towers Tenants League

Robert Graham, by Fax: 642-1242

### BRICK TOWERS TENANT LEAGUE VIRGINIA JONES, PRESIDENT 715 DR. MARTIN LUTHER KING, JR. BLVD. 5A NEWARK, NEW JERSEY 07102

August 8, 2001

Mr. Zinneford Smith, Chairperson Newark Housing Authority Board of Commissioners ofo Newark Watershed Commission Newark, NJ 07102

BY HAND DELIVERY

Re: Request for Meeting to Discuss NHA's Submission of Brick Towers Preservation Proposal

Dear Mr. Smith:

As I am sure you are aware, on July 30, 2001 Professor Robert Holmes and I met with Mayor Sharpe James to clarify the City of Newark's position regarding the preservation of Brick Towers. Also present at the July 30 meeting were Robert Graham, the Nowark Housing Authority's Executive Director, Johnny Jones, Assistant Director of Economic Development and Harold Lucas, Powark City Business Administrator.

During the July 30 meeting, Mayor James clearly expressed the City's of Newark's decision to support the preservation of Brick' Towers and this commitment to work with the Brick' Towers Tenants League (BTTL) to excure preservation. Specifically, Mayor James stated that he will support out preservation proposal so as to avoid the demolition of Brick' Towers. Mayor James further requested that I must with Diamae Johnson and contacted Ms. Johnson to facilitate a follow up meeting. Further, Mayor James indicated that if HIDD was unable to provide financial assistance, the Mayor was willing to interced with Sensors Occine and Torricelli. During our follow-up meeting with Ms. Johnson on July 30, bis indicated that the HIDD Newark Office also supported the preservation of Brick' Towers and expressed the commitment to work with the BTTL to achieve that goal (see: attached letter dated August 1, 2001 following up on topics discussed at the meeting.)

In light of Mayor James' (and HUD-Newark's) support for the preservation of Brick Towers, I write to request a meeting with you to discuss the Newark Housing Authority's (NHA) submission of the Brick Towers preservation proposal to HUD (attached is my April 10, 2001 letter to you outlining BTTL's proposal).

Please contact me at your earliest convenience (621-4644) to schedule a meeting to discuss and finalize the details of NHA's proposal to preserve Brick Towers. Thank you for your attention and anticipated cooperation.

Virgina D. Jones, President

Hon. Mayor Sharpe James
 Dianne Johnson, Sr. Community Builder



# CITY OF RED BLUFF

555 Washington Street "Post Office Box 400 Red Bluff, California 96060 (530) 527-2895

August 1, 2000

BACKGROUNG

Honorable Mayor and Members of the City Council

Red Bluff, California

SUBJECT: ELISON APARTMENTS PROJECT

Unifront Grant Agreement - \$1,000,000

Budget Appropriation - \$200 Purchase Price, Closing Costs and \$1,000,000 Unfront Grant

Assignment and Assumption Agreement - City/CHIP

Special Warranty Doed (Grant Deed) and Uniform Closing Statement Resolution No. 43-2000 - Authorization for the Gily Manager to his

Various Documents for Purchase and Sale of Property

Mayor and City Dounctime obers

Upfront Grant A freement | \$1,000,000

he previously reported to the City Council the U.S. Ospartment of ligating and Urban Development askinded of Lifeting South in the amount of \$1,000,000 for a portion of the cubilitation of the partnerment of the Sprince Council Agreement councils of share information regarding project ligatings, expail construction regardings and set facilitations and partners of the share of the share of the share Colorascinette of partners (shared and use of the shared councils of the shared colorascinette of partners (shared and use of the shared colorascinette of the shared colorascinette of the shared shared and the shared shared shared and colorascinette of the shared shared shared and the shared shared colorascinette of the shared s Agreement which regulars City Council approval and authorization for execution.

Builded Appropriation - \$200 Punchase Price, Closing Coats, and \$1,000,000 Liefcont Gor

On July 5, 2000, the City dissued springed the pixeless of the Black Apartment properties for all post-partment from the resident the Community Industry Ind a budget appropriation to be included in the 2000/2001 Final City Budget.

Amount and Assumption Adjustment - City/CHIP

frander to delimite conditions of the assignment and assumption of interests related to the Upfort Craft Agreement franche City to CHIP, an Assignment and Assumption Agreement and Assumption (Agreement and Assumption) in the staff report. Exception of this agreement will bequire authorization from the City Council

